Form 3160-5 (June 2015)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018

5. Lease Serial No.

| ************************************** | | | | | | |
|--|-----------------------------------|--|--|--|--|--|
| 6. | If Indian, Allottee or Tribe Name | | | | | |

| SUNDRY N | OTICES AND | REPORTS (| ON WELLS | J. |
|-----------------|----------------|------------------|-----------------|----|
| Do not use this | form for prope | osals to drill o | r to re-enter a | 'n |
| abandoned well. | Use form 316 | 0-3 (APD) for | such proposa | K |

| abandoned we | II. Use form 3160-3 (APD |) for such proposals | <i>Pino</i> | | |
|--|---|---|---|---------------------------------------|---------------------------|
| SUBMIT IN | TRIPLICATE - Other instr | ructions on page 2 | AR 1 | If Unit or CA/Ag | greement, Name and/or No. |
| 1. Type of Well ☑ Oil Well ☐ Gas Well ☐ Ott | her | | BECEIAL BY 1 15 5013 | 8. Well Name and N LING FEDERA | |
| Name of Operator FASKEN OIL & RANCH LIMIT | Contact: A FED E-Mail: addisong@f | ADDISON GUELKER forl.com | # - | 9. API Well No. 30-025-38748 | 3-00-C3 |
| 3a. Address 6101 HOLIDAY HILL ROAD MIDLAND, TX 79707 | 3b. Phone No. (include area Ph: 432-687-1777 | code) | 10. Field and Pool or Exploratory Area APACHE RIDGE | | |
| 4. Location of Well (Footage, Sec., 7 | ., R., M., or Survey Description) | ··· | | 11. County or Paris | h, State |
| Sec 31 T19S R34E NWSE 16 32.613986 N Lat, 103.598570 | | | | LEA COUNT | Y, NM |
| 12. CHECK THE AI | PPROPRIATE BOX(ES) | O INDICATE NATUR | E OF NOTICE | , REPORT, OR O | THER DATA |
| TYPE OF SUBMISSION | | TYP | E OF ACTION | | |
| □ Nation of Intent | ☐ Acidize | □ Deepen | ☐ Produc | tion (Start/Resume) | ☐ Water Shut-Off |
| □ Notice of Intent | ☐ Alter Casing | ☐ Hydraulic Fractur | ing 🗖 Reclan | nation | ■ Well Integrity |
| Subsequent Report | Casing Repair | ■ New Construction | n 🗖 Recom | plete | Other |
| ☐ Final Abandonment Notice | ☐ Change Plans | ☐ Plug and Abando | n 🗖 Tempo | rarily Abandon | |
| | ☐ Convert to Injection | Plug Back | ☐ Water | Disposal | |
| Fasken Oil and Ranch, Ltd. at Springs. Please see attached | | no added peris to the all | eady producing | g Bone | |
| 14. I hereby certify that the foregoing is | | | | · · · · · · · · · · · · · · · · · · · | |
| | Electronic Submission #49 For FASKEN OI | 50483 verified by the BLM L & RANCH LIMITED, ser | | n System | |
| | mitted to AFMSS for proces | | | • | |
| Name (Printed/Typed) ADDISON | GUELKER | Title REC | BULATORY AN | IALYST | |
| Signature (Electronic S | ubmission) | Date 01/1 | 4/2019 | | |
| | THIS SPACE FO | R FEDERAL OR STA | TE OFFICE U | SEDCONDO | • |
| Approved By | | Title | LMCVH. | <u> </u> | Date |
| Conditions of approval, if any, are attached certify that the applicant holds legal or equivalent would entitle the applicant to condu | itable title to those rights in the s | ot warrant or subject lease Office | | /s/ J | onathon Shepard |
| Fitle 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent s | U.S.C. Section 1212, make it a createments or representations as to | rime for any person knowingly o any matter within its jurisone | and willfully to m | ake to any department | or agency of the United |
| Instructions on page 2) ** BLM REVI | SED ** BLM REVISED | ** BLM REVISED ** E | BLM REVISEI | | ED** K |

Ling Federal No. 4 - Test Bone Springs

11/8/18

Called BLM, spoke w/ Pat Mckelvey #575-631-8873 and informed him of plan to set CIBP @ 11,000' w/ 32' of cement on top and was informed that would not be able to witness and gave permission to proceed with job but requested to tag cement in the morning. RU Capitan WL and RIW w/ 5-1/2" CIBP, CCL, setting tool and RIW w/ 5-1/2" CIBP, correlated to Enertech Perforating Depth Control Log dated 12-2-2008 and set plug at 11,000'. POW w/ setting tool. RIW and dumped bailed 35' of class H cement on top of CIBP. POW w/ bailer and RDWL. SWI, left casing open to flow line and SDON.

11/9/18

Bled down dry gas and RU Capitan WL, tagged top of cement @ 10,938' FS. Pat McKelvey witnessed tag and gave permission to continue with job. RU Viva pump truck, pumped 260 bbls 2% kcl @ 2.7 BMR at 350 psi with casing on strong vacuum when SD pump. Pumped 35 bbls 2% kcl @ 1 BMR at 50 psi with casing on vacuum when SD pump. Pumped 100 bbls 2% kcl @ 3.5 BMR at 400 psi with casing on strong vacuum when SD pump. Received orders to continue w/ procedure and acid break down on Monday morning.

11/12/18

RU Capitan WL, RU 3k lubricator and RIW w/ 3-1/8" slick gun and correlated to Enertech Perforating Control Log dated 12-2-2008 and perforated from 10,800' – 10,820' (2 jspf, 40h, 60 degree phased, 42" penetration). POW w/ guns w/ all shots fired and RDWL. Waited 2 hrs on RBP. RIW w/ 5-1/2" RBP, retrieval tool, 4' x 2-3/8" EUE 8rd N80 tubing sub, 5-1/2" packer, PU 2-3/8" SN and 335 jts 2-3/8" EUE 8rd N80 tubing and set RBP @ 10,898'. POW and LD 4 jts and left packer swinging @ 10,777'. SI tubing, left casing open to flow line and SDON.

11/16/18

RIW w/ 5-1/2" Kline RBP, new retrieval tool, 4' x 2-3/8" tubing sub, new 5-1/2" NTX pkr and 2-3/8" SN and RIW w/ 323 jts 2-3/8" EUE 8rd N80 tubing and set RBP @ 10,500' and set pkr @ 10,483'. Pressured up on tools to 1000 psi, held for 10 min w/ 0 pressure loss and bled off pressure. Released pkr, POW w/ 4 jts and dumped 2 sx of sand and pumped 35 bbls of 2% kcl w/ biocide down tubing. POW w/ 318 jts, 2-3/8" SN, 5-1/2" pkr, 4' sub and retrieval tool. RIW w/ 5-1/2" cement retainer, 2-3/8" SN and 172 jts 2-3/8" EUE 8rd N80 tubing w/ retainer swinging @ 5581'. SI tubing, left casing open to flow line and SDON.

11/17/18

Established injection rate w/ 6 bfw @ 2 BMR @ 60 psi. Pumped 5 bfw spacer, 500 gals of flow check and 5 bfw spacer. Mixed and pumped 300 sx Class "H" cement (63.58 slurry) (s.w. 15.6 ppg, yield 1.19 ft3/sx) @ 2 BPMR w/ 130 psi, pumped 2 bfw of displacement and pressure increased to 600 psi. Slowed rate as pressured increased, displaced 9 bfw @ 1300 psi and pressure on casing pressure increased to 400 psi while pumping slurry. After pumped 9 bbls of flush pressure climbed to 1300 psi and was only able to pump at .3 BPMR. Stung out of CICR and circulated 27 bbls cement conventionally to gas buster pit and RD cement equipment. Suspected 31.34 bbls of cement in perfs.

11/18/18

Tagged cement @ 9433', NU stripper head and PU power swivel. Established reverse circulation @ 2 BMR @ 400 psi, drilled 5' of cement to CICR @ 9438' and drilled out CICR from 9438' – 9441' in 1.5 hrs. Drilled 2' of hard cement from 9441' – 9443' and drilled medium/hard cement from 9443' – 9563' w/ top perfs @ 9604' and circulated well clean in 30 minutes.

11/19/18

RU power swivel and established reverse circulation and drilled firm cement from 9563'- 9757' in 4 hrs. Unable to make any hole after connection at 9757' in 2-1/2 hrs due to bit plugging off when applying weight on bit. Surged pump and switched to conventional circulation in an attempt to clear obstruction without success. Circulated bottoms up and LD swivel, POW and tubing jumped free after pulling 10K drag from 9757'- 9693', POW to 9368' with no drag. RIW to 9725', NU tubing stripper and RU swivel.

12/3/18

Established reverse circulation, pumping 1.75 BMR @ 400 psi and drilled medium/hard cement from 9757' – 9967' and circulated well clean in 1 hr. Drilled 6-1/2 jts, a total of 210' and LD 3 jts 2-7/8" EUE 8rd L80 tubing. SWI and SDON.

12/4/18

SICP- 0 psi, SITP- 0 psi. RIW w/ 3 jts 2-7/8" EUE 8rd L80 tubing, PU power swivel and established reverse circulation. Tagged top of cement @ 9967' and fell out @ 10,152' drilled a total of 711' cement and circulated well clean in 1 hr. Suspected 20.8 bbls cement in perfs. PU 2 jts 2-7/8" EUE 8rd L80 tubing to ensure no stringers w/ EOT @ 10,223'. RU chart recorder and tested casing to 500 psi for 15 min w/ 150 psi loss on 3 separate tests. Surface casing valve open throughout test and remained static. Left well SI and will check FL in the morning. SWI and SDON.

12/5/18

Loaded well w/ 3 bfw and pressured up to 500 psi and lost 150 psi in 15", 180 psi in 20" and 210 psi in 30". Bled down pressure and RIW w/ 10 jts 2-7/8" EUE 8rd L80 tubing and NU stripper head and PU power swivel. Washed sand down to RBP set @ 10,500' and circulated 90 bfw mixed w/ biocide. POW w/ 320 jts 2-7/8" EUE 8rd L80 tubing and LD 6 3-1/8" DC and 4-5/8" blade bit. RIW w/ retrieval tool, 4' x 2-3/8" tubing sub, 5-1/2" NTX pkr, 2-7/8" SN and RIW w/ 210 jts 2-7/8" EUE 8rd L80 tubing.

12/6/18

RIW w/ 115 jts 2-7/8" EUE 8rd L80 tubing to top of RBP @ 10,500' and displaced well w/ 209 bbls 2% kcl mixed w/ biocide. Released RBP and well remained static and RIW w/ 11 jts 2-7/8" EUE 8rd L80 tubing. Attempted to set RBP @ 10,850' w/ no success and set RBP @ 10,880'. FL was at surface, RU Big E acid trucks, pumped 250 gal 7.5% NEFE 2I acid and displaced w/ 60.4 bbls 2% kcl mixed w/ biocide. POW w/ 10 jts 2-7/8" EUE 8rd L80 tubing, reversed 2.5 bbls acid into tubing and set packer @ 10,504'. RU reverse unit on casing and kept 500 psi on casing throughout job and pumped a total of 2.25 bbls 2 % kcl mixed w/ biocide during break down. RU Big "E" on tubing, pressured up to 1000 psi, lost 10 psi in 5 minutes, increased pressure to 1500 psi in 100 psi increments and at 1500 psi loss 20 psi in 5 minutes on several tries. Start to increase pressure in 200 psi increments w/ 10 minute bled down in between increases and had break at 2875 psi. Pumped 5 bbls displacement at .5 BMR @ 2800 psi, had slight more breakage and pumped remaining 7 bbls at .9 BMR @ 2900 psi. Fluid AIR- 5 bpm, MIR- .9 bpm, AIP- 2872 psi, MIP- 2925 psi. ISIP- 2781 psi, 5"- 2546 psi, 10"- 2500 psi, 15"- 2426 psi. RD Big E services, SI tubing, SI casing w/ 350 psi, pressure dropping slowly and SDON.

12/14/18

ND BOP, set pkr at 10,711' in 20K compression and NU frac stack. Tubing RIW as follows: 5-1/2" x 2-7/8" Arrowset 1X 10K pkr 7.19' 2-7/8" box x pin nipple .41' 2.31" F profile nipple and TOSSD 1.87'

2-7/8" EUE pin x 3-1/2" EUE box x-o w/ frac ring .45'
3-1/2" EUE pin x 3-1/2" PH6 box x-o .42'
345 jts 3-1/2" 12.95# PH6 P110 10,689.30'
3-1/2" PH6 pin x Acme x-o (OSES) .46'
Sub Total 10,700.01'
Below KB +15.00'
Slack off - 3.50'
Total 10,711.60'
SWI in for stimulation company to RU.

12/17/18

Fraced well 10800'-10820'. SITP- 3800 psi. Opened well to flow back manifold on 8/64" choke at 11:00 pm CDT and flowed back.

12/27/18

FCP-0 psi, casing open to frac tank on 14/64" positive choke and well was not flowing. Continued PU and RIW w/ 84 jts 2-3/8" EUE 8rd L80 tubing off pipe racks and tagged bottom @ 10,901' w/ TD @ 10,938'. RIW w/ BHA and production tubing as follows:

2 jts 2-7/8" EUE 8rd N80 tubing w/ BP on btm (Used) 63.66'
2-3/8" Cavins Desander (model #MB342303) (New) 17.90'
2-3/8" x 5-1/2" Mesquite "Tech Tac" TAC slim body 35K shear (New) 3.26'
2-3/8" WFT mechanical seating nipple w/ 1" x 12" strainer (new) 0.73'
1 jt 2-3/8" EUE 8rd P800 IPC tubing (New) 32.40'
329 jts 2-3/8" EUE 8rd L80 bare tubing (New) 10,662.53'
Sub Total 10,780.48'
Below KB 15.00'
Tubing Stretch + 4.95'
Total 10,800.43'

12/28/18

RIW w/ $2'' \times 1-1/2'' \times 24'$ RHBM pump at 10,732.18'. Bled off pressure, RDPU, released all rental equipment, cleaned well head and location. Left unit pumping on hand, TP- 250 psi, FCP- 0 psi producing 0 boph and 8 bwph. Left casing open on 20/64" positive choke.